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INITIATIVE 261

I, Sam Reed, Secretary of State of the State of Washington and custodian of its seal, hereby certify that, according to the records on file in my office, the attached copy of Initiative Measure No. 261 to the Legislature is a true and correct copy as it was received by this office.

1 AN ACT Relating to limiting taxes and fees on motor vehicles;
2 amending RCW 46.16.0621, 46.16.070, 35.58.273, and 81.104.160; creating
3 new sections; and repealing RCW 35.58.274, 35.58.275, 35.58.276,
4 35.58.277, 35.58.278, 82.44.041, 82.44.110, 82.44.150, and 82.80.020.

5 BE IT ENACTED BY THE PEOPLE OF THE STATE OF WASHINGTON:

TITLE

7 NEW SECTION. **Sec. 1.** This measure shall be called The Right to
8 Vote on Higher Vehicle Taxes Act.

POLICIES AND PURPOSES

10 NEW SECTION. **Sec. 2.** This measure would require license tab fees
11 to be \$30 per year for motor vehicles and light trucks and would repeal
12 certain excise taxes and fees imposed on motor vehicles. Politicians
13 promised "\$30 license tabs are here to stay" and promised any
14 transportation tax package would be put to a public vote. The people
15 expect politicians to keep their promises. As long as taxpayers must

1 pay incredibly high sales taxes when buying motor vehicles and light
2 trucks (meaning state and local governments receive huge windfalls of
3 sales tax revenue from these transactions), the people want license tab
4 fees to not exceed \$30 per year. \$30 tabs also serve as a healthy
5 reminder to politicians that they are an employee of the people and not
6 the boss. Without this follow-up measure, "tab creep" will continue
7 until license tab fees are once again obscenely expensive, as they were
8 prior to the passage of Initiative 695. The people want a public vote
9 on any increases in transportation-related taxes, fees, and surcharges
10 to ensure increased accountability. The people will not accept higher
11 transportation revenues unless and until existing taxes and fees are
12 spent as cost-effectively as possible and fundamental reforms are
13 implemented first (with the hope that such changes will remove the need
14 for the increases). The people also expect that dramatic changes to
15 plans and programs presented to voters for approval will be submitted
16 for further approval where cost overruns are significant. The people
17 expect this measure will provide a strong incentive for all taxing
18 districts to obtain voter approval before imposing transportation-
19 related taxes, fees, and surcharges. However, if the legislature
20 ignores this clear message, a referendum will be filed to ensure the
21 voters get the final say. Politicians should just do the right thing
22 and keep their promises.

23 **REQUIRING LICENSE TAB FEES TO NOT EXCEED \$30 PER YEAR**
24 **FOR MOTOR VEHICLES**

25 **Sec. 3.** RCW 46.16.0621 and 2000 1st sp.s. c 1 s 1 are each amended
26 to read as follows:

27 (1) License tab fees (~~((shall be thirty dollars))~~) are required to be
28 \$30 per year for motor vehicles, regardless of year, value, make, or
29 model(~~((, beginning January 1, 2000))~~).

30 (2) For the purposes of this section, "license tab fees" are
31 defined as the general fees paid annually for licensing motor vehicles,
32 including cars, sport utility vehicles, motorcycles, and motor homes.

33 **REQUIRING LICENSE TAB FEES TO NOT EXCEED \$30 PER YEAR**
34 **FOR LIGHT TRUCKS (HEAVY TRUCKS AND TRAILERS WILL CONTINUE**
35 **TO BE BASED ON GROSS WEIGHT AT THE RATES LISTED BELOW)**

36 **Sec. 4.** RCW 46.16.070 and 1994 c 262 s 8 are each amended to read
37 as follows:

(1) In lieu of all other vehicle licensing fees, unless specifically exempt, and in addition to the (~~excise tax prescribed in chapter 82.44 RCW and the~~) mileage fees prescribed for buses and stages in RCW 46.16.125, there shall be paid and collected annually for each truck, motor truck, truck tractor, road tractor, tractor, bus, auto stage, or for hire vehicle with seating capacity of more than six, based upon the declared combined gross weight or declared gross weight thereof pursuant to the provisions of chapter 46.44 RCW, the following licensing fees by such gross weight:

DECLARED GROSS WEIGHT	SCHEDULE A	
	SCHEDULE B	
4,000 lbs.	\$ ((37.00))	\$ ((37.00))
	<u>30.00</u>	<u>30.00</u>
6,000 lbs.	\$ ((44.00))	\$ ((44.00))
	<u>30.00</u>	<u>30.00</u>
8,000 lbs.	\$ ((55.00))	\$ ((55.00))
	<u>30.00</u>	<u>30.00</u>
10,000 lbs.	\$ 62.00	\$ 62.00
12,000 lbs.	\$ 72.00	\$ 72.00
14,000 lbs.	\$ 82.00	\$ 82.00
16,000 lbs.	\$ 92.00	\$ 92.00
18,000 lbs.	\$ 137.00	\$ 137.00
20,000 lbs.	\$ 152.00	\$ 152.00
22,000 lbs.	\$ 164.00	\$ 164.00
24,000 lbs.	\$ 177.00	\$ 177.00
26,000 lbs.	\$ 187.00	\$ 187.00
28,000 lbs.	\$ 220.00	\$ 220.00
30,000 lbs.	\$ 253.00	\$ 253.00
32,000 lbs.	\$ 304.00	\$ 304.00
34,000 lbs.	\$ 323.00	\$ 323.00
36,000 lbs.	\$ 350.00	\$ 350.00
38,000 lbs.	\$ 384.00	\$ 384.00
40,000 lbs.	\$ 439.00	\$ 439.00
42,000 lbs.	\$ 456.00	\$ 546.00
44,000 lbs.	\$ 466.00	\$ 556.00
46,000 lbs.	\$ 501.00	\$ 591.00
48,000 lbs.	\$ 522.00	\$ 612.00
50,000 lbs.	\$ 566.00	\$ 656.00
52,000 lbs.	\$ 595.00	\$ 685.00
54,000 lbs.	\$ 642.00	\$ 732.00
56,000 lbs.	\$ 677.00	\$ 767.00
58,000 lbs.	\$ 704.00	\$ 794.00
60,000 lbs.	\$ 750.00	\$ 840.00
62,000 lbs.	\$ 804.00	\$ 894.00
64,000 lbs.	\$ 822.00	\$ 912.00
66,000 lbs.	\$ 915.00	\$ 1,005.00
68,000 lbs.	\$ 954.00	\$ 1,044.00

1	70,000 lbs.	\$ 1,027.00	\$ 1,117.00
2	72,000 lbs.	\$ 1,098.00	\$ 1,188.00
3	74,000 lbs.	\$ 1,193.00	\$ 1,283.00
4	76,000 lbs.	\$ 1,289.00	\$ 1,379.00
5	78,000 lbs.	\$ 1,407.00	\$ 1,497.00
6	80,000 lbs.	\$ 1,518.00	\$ 1,608.00
7	82,000 lbs.	\$ 1,623.00	\$ 1,713.00
8	84,000 lbs.	\$ 1,728.00	\$ 1,818.00
9	86,000 lbs.	\$ 1,833.00	\$ 1,923.00
10	88,000 lbs.	\$ 1,938.00	\$ 2,028.00
11	90,000 lbs.	\$ 2,043.00	\$ 2,133.00
12	92,000 lbs.	\$ 2,148.00	\$ 2,238.00
13	94,000 lbs.	\$ 2,253.00	\$ 2,343.00
14	96,000 lbs.	\$ 2,358.00	\$ 2,448.00
15	98,000 lbs.	\$ 2,463.00	\$ 2,553.00
16	100,000 lbs.	\$ 2,568.00	\$ 2,658.00
17	102,000 lbs.	\$ 2,673.00	\$ 2,763.00
18	104,000 lbs.	\$ 2,778.00	\$ 2,868.00
19	105,500 lbs.	\$ 2,883.00	\$ 2,973.00

20 Schedule A applies to vehicles either used exclusively for
21 hauling logs or that do not tow trailers. Schedule B applies to
22 vehicles that tow trailers and are not covered under Schedule A.

23 Every truck, motor truck, truck tractor, and tractor exceeding
24 6,000 pounds empty scale weight registered under chapter 46.16,
25 46.87, or 46.88 RCW shall be licensed for not less than one hundred
26 fifty percent of its empty weight unless the amount would be in
27 excess of the legal limits prescribed for such a vehicle in RCW
28 46.44.041 or 46.44.042, in which event the vehicle shall be licensed
29 for the maximum weight authorized for such a vehicle or unless the
30 vehicle is used only for the purpose of transporting any well
31 drilling machine, air compressor, rock crusher, conveyor, hoist,
32 donkey engine, cook house, tool house, bunk house, or similar machine
33 or structure attached to or made a part of such vehicle.

34 The following provisions apply when increasing gross or combined
35 gross weight for a vehicle licensed under this section:

36 (a) The new license fee will be one-twelfth of the fee listed
37 above for the new gross weight, multiplied by the number of months
38 remaining in the period for which licensing fees have been paid,
39 including the month in which the new gross weight is effective.

40 (b) Upon surrender of the current certificate of registration or
41 cab card, the new licensing fees due shall be reduced by the amount

1 of the licensing fees previously paid for the same period for which
2 new fees are being charged.

3 (2) The proceeds from the fees collected under subsection (1) of
4 this section shall be distributed in accordance with RCW 46.68.035.

5 **REPEALING THE REMAINING MOTOR VEHICLE EXCISE TAX WHICH THE**
6 **LEGISLATURE FAILED TO FULLY REPEAL**

7 **Sec. 5.** RCW 35.58.273 and 1998 c 321 s 25 are each amended to
8 read as follows:

9 (1) ~~((A municipality is authorized to levy and collect a special~~
10 ~~excise tax not exceeding .725 percent on the value, as determined~~
11 ~~under chapter 82.44 RCW, of every motor vehicle owned by a resident~~
12 ~~of such municipality for the privilege of using such motor vehicle~~
13 ~~provided that in no event shall the tax be less than one dollar and,~~
14 ~~subject to RCW 82.44.150 (3) and (4), the amount of such tax shall be~~
15 ~~credited against the amount of the excise tax levied by the state~~
16 ~~under RCW 82.44.020(1).— Before utilization of any excise tax moneys~~
17 ~~collected under authorization of this section for acquisition of~~
18 ~~right of way or construction of a mass transit facility on a separate~~
19 ~~right of way the municipality shall adopt rules affording the public~~
20 ~~an opportunity for "corridor public hearings" and "design public~~
21 ~~hearings" as herein defined, which rule shall provide in detail the~~
22 ~~procedures necessary for public participation in the following~~
23 ~~instances: (a) Prior to adoption of location and design plans having~~
24 ~~a substantial social, economic or environmental effect upon the~~
25 ~~locality upon which they are to be constructed or (b) on such mass~~
26 ~~rapid transit systems operating on a separate right of way whenever a~~
27 ~~substantial change is proposed relating to location or design in the~~
28 ~~adopted plan. In adopting rules the municipality shall adhere to the~~
29 ~~provisions of the Administrative Procedure Act.~~

30 (2) A "corridor public hearing" is a public hearing that: (a)
31 Is held before the municipality is committed to a specific mass
32 transit route proposal, and before a route location is established;
33 (b) is held to afford an opportunity for participation by those
34 interested in the determination of the need for, and the location of,
35 the mass rapid transit system; (c) provides a public forum that
36 affords a full opportunity for presenting views on the mass rapid
37 transit system route location, and the social, economic and

1 environmental effects on that location and alternate locations:
2 PROVIDED, That such hearing shall not be deemed to be necessary
3 before adoption of an overall mass rapid transit system plan by a
4 vote of the electorate of the municipality.

5 (3) A "design public hearing" is a public hearing that: (a) Is
6 held after the location is established but before the design is
7 adopted; and (b) is held to afford an opportunity for participation
8 by those interested in the determination of major design features of
9 the mass rapid transit system; and (c) provides a public forum to
10 afford a full opportunity for presenting views on the mass rapid
11 transit system design, and the social, economic, environmental
12 effects of that design and alternate designs.

13 ~~——(4)) A municipality ((imposing a tax under subsection (1) of~~
14 ~~this section)) may ((also)) impose a sales and use tax, in addition~~
15 ~~to the tax authorized by RCW 82.14.030, upon retail car rentals~~
16 ~~within the municipality that are taxable by the state under chapters~~
17 ~~82.08 and 82.12 RCW. The rate of tax shall not exceed 1.944 percent.~~
18 ~~((The rate of tax imposed under this subsection shall bear the same~~
19 ~~ratio to the 1.944 percent rate authorized that the rate imposed~~
20 ~~under subsection (1) of this section bears to the rate authorized~~
21 ~~under subsection (1) of this section.)) The base of the tax shall be~~
22 ~~the selling price in the case of a sales tax or the rental value of~~
23 ~~the vehicle used in the case of a use tax. The tax imposed under~~
24 ~~this section shall be deducted from the amount of tax otherwise due~~
25 ~~under RCW 82.08.020(2). The revenue collected under this~~
26 ~~((subsection)) section shall be collected and distributed in the same~~
27 ~~manner as ((special excise)) sales and use taxes under ((subsection~~
28 ~~(1) of this section)) chapter 82.14 RCW.~~

29 NEW SECTION. Sec. 6. The following acts or parts of acts are
30 each repealed:

31 (1) RCW 35.58.274 (Public transportation systems--Motor vehicles
32 exempt from tax) and 1985 c 7 s 100 & 1969 ex.s. c 255 s 9;

33 (2) RCW 35.58.275 (Public transportation systems--Provisions of
34 motor vehicle excise tax chapter applicable) and 1969 ex.s. c 255 s
35 10;

36 (3) RCW 35.58.276 (Public transportation systems--When tax due
37 and payable--Collection) and 1971 ex.s. c 199 s 1 & 1969 ex.s. c 255
38 s 11;

(4) RCW 35.58.277 (Public transportation systems--Remittance of tax by county auditor) and 1979 c 158 s 91 & 1969 ex.s. c 255 s 12;

(5) RCW 35.58.278 (Public transportation systems--Distribution of tax) and 1975 1st ex.s. c 270 s 2, 1974 ex.s. c 54 s 1, & 1969 ex.s. c 255 s 13;

(6) RCW 82.44.041 (Valuation of vehicles) and 1998 c 321 s 4 & 1990 c 42 s 303;

(7) RCW 82.44.110 (Disposition of revenue) and 1998 c 321 s 5, 1997 c 338 s 68, & 1997 c 149 s 911; and

(8) RCW 82.44.150 (Apportionment and distribution of motor vehicle excise taxes generally) and 1999 c 94 s 30, 1998 c 321 s 6, 1995 2nd sp.s. c 14 s 538, 1994 c 241 s 1, & 1993 c 491 s 2.

REPEALING THE LOCAL MOTOR VEHICLE EXCISE TAX

Sec. 7. RCW 81.104.160 and 1998 c 321 s 35 are each amended to read as follows:

~~((1) Cities that operate transit systems, county transportation authorities, metropolitan municipal corporations, public transportation benefit areas, and regional transit authorities may submit an authorizing proposition to the voters, and if approved, may levy and collect an excise tax, at a rate approved by the voters, but not exceeding eighty one hundredths of one percent on the value, under chapter 82.44 RCW, of every motor vehicle owned by a resident of the taxing district, solely for the purpose of providing high capacity transportation service. In any county imposing a motor vehicle excise tax surcharge pursuant to RCW 81.100.060, the maximum tax rate under this section shall be reduced to a rate equal to eighty one hundredths of one percent on the value less the equivalent motor vehicle excise tax rate of the surcharge imposed pursuant to RCW 81.100.060. This rate shall not apply to vehicles licensed under RCW 46.16.070 except vehicles with an unladen weight of six thousand pounds or less, RCW 46.16.079, 46.16.085, or 46.16.090.~~

~~——(2))~~ An agency ~~((imposing a tax under subsection (1) of this section))~~ may ~~((also))~~ impose a sales and use tax solely for the purpose of providing high capacity transportation service, in addition to the tax authorized by RCW 82.14.030, upon retail car rentals within the agency's jurisdiction that are taxable by the state under chapters 82.08 and 82.12 RCW. The rate of tax shall not

1 exceed 2.172 percent. (~~The rate of tax imposed under this~~
2 ~~subsection shall bear the same ratio to the 2.172 percent rate~~
3 ~~authorized that the rate imposed under subsection (1) of this section~~
4 ~~bears to the rate authorized under subsection (1) of this section.~~)
5 The base of the tax shall be the selling price in the case of a sales
6 tax or the rental value of the vehicle used in the case of a use tax.
7 (~~The revenue collected under this subsection shall be used in the~~
8 ~~same manner as excise taxes under subsection (1) of this section.~~)

9 **LEGISLATIVE INTENT THAT OUTSTANDING BONDS BE RETIRED**
10 **IF NOT REAUTHORIZED**

11 NEW SECTION. **Sec. 8.** Any bonds previously issued for light rail
12 shall be retired using reserve funds including accrued interest, sale
13 of property or equipment, new voter approved tax revenues, or any
14 combination of these sources of revenue. The people expect taxing
15 districts to abstain from further bond sales for light rail until
16 voters decide this measure. The people encourage Sound Transit to
17 put another tax revenue measure before voters if they want to
18 continue with a light rail system dramatically changed from that
19 previously represented to and approved by voters.

20 **REPEALING THE LOCAL OPTION VEHICLE LICENSE FEE**

21 NEW SECTION. **Sec. 9.** RCW 82.80.020 (Vehicle license fee--
22 Exemptions--Limitations) and 2001 c 64 s 15, 2000 c 103 s 20, 1998 c
23 281 s 1, 1996 c 139 s 4, 1993 c 60 s 1, 1991 c 318 s 13, & 1990 c 42
24 s 206 are each repealed.

25 **CONSTRUCTION CLAUSE**

26 NEW SECTION. **Sec. 10.** The provisions of this act are to be
27 liberally construed to effectuate the policies and purposes of this
28 act.

29 **SEVERABILITY CLAUSE**

30 NEW SECTION. **Sec. 11.** If any provision of this act or its
31 application to any person or circumstance is held invalid, the

1 remainder of the act or the application of the provision to other
2 persons or circumstances is not affected.

3 **LEGISLATIVE INTENT**

4 NEW SECTION. **Sec. 12.** The people have made clear through the
5 passage of numerous initiatives and referenda that taxes need to be
6 reasonable and tax increases should always be a last resort.
7 However, politicians throughout the state of Washington continue to
8 ignore these repeated mandates.

9 The people expect politicians to keep their promises. The
10 legislative intent of this measure is to ensure that they do.

11 Politicians are reminded:

12 (1) All political power is vested in the people, as stated in
13 Article I, section 1 of the Washington state Constitution.

14 (2) The first power reserved by the people is the initiative, as
15 stated in Article II, section 1 of the Washington state Constitution.

16 (3) When voters approve initiatives, politicians have a moral and
17 ethical obligation to fully implement them. When politicians ignore
18 the voters, they corrupt the term "public servant."

19 (4) Any attempt to violate the clear intent and spirit of this
20 measure undermines the trust of the people in their government and
21 will increase the likelihood of future tax limitation measures.

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